Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	)	
	)	
Applications of Comcast Corporation,	)	MB Docket No. 14-57
Time Warner Cable Inc.,	)	
Charter Communications, Inc., and	)	
Spinco to Assign and Transfer Control of	)	
FCC Licenses and Other Authorizations	)	

PETITION TO DENY OF SINCLAIR BROADCAST GROUP, INC.

SINCLAIR BROADCAST GROUP, INC.

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August 25, 2014

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I. SUMMARY

The Federal Communications Commission ("FCC" or "Commission") operates under the "public interest" standard of the Communications Act of 1934.[1] Comcast Corp. ("Comcast") and Time Warner Cable Inc. ("Time Warner Cable" or "TWC") have filed applications seeking Commission approval to transfer control of the licenses and authorizations held by Time Warner Cable and its wholly-owned and controlled subsidiaries to Comcast. Comcast and TWC must show that the merger: (a) does no harm, and (b) will affirmatively benefit the public. The FCC must consider the impact on competition; but the public interest standard extends beyond competitive concerns. FCC review is limited to merger specific harms rather than industry-wide harms. At the same time, given the size and scale (both horizontal and vertical) of the proposed combination, broader industry issues are implicated.

The Commission must examine the public interest, convenience, and necessity, ensuring that the merged company will promote competition in the marketplace.[2] The Commission has the affirmative duty to effectuate the purposes of the Communications Act,[3] which include ensuring "the widest possible diversity of information sources and services to the public"[4] as well as promoting competition in cable communications.[5] Further, the Commission has recognized that this duty extends to "the provision of new or additional services,"[6] as well as mature markets impacted by the merger.

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[1] 47 U.S.C. 214(a) and 47 U.S.C. 310(d)

[2] Communications Act of 1934, 47 U.S.C. §§ 214(a); 257(b); 309(e); 310(d) (2006).

[3] *See Applications for Consent to Transfer of Control of Licenses and Section 214 Authorizations from Tele-Communications, Inc., Transferor to AT&T Corp., Transferee*, 14 F.C.C.R. 3160, 3169 (1999).

[4] 47 U.S.C. § 521(4) (2006).

[5] Id. §§ 521(6), 532(a).

[6] *Applications of Ameritech Corp., Transferor, and SBC Communications Inc., Transferee, For Consent to Transfer Control of Corporations Holding Commission Licenses and Lines*, CC Docket No. 98-141, FCC 99-279 at 50 (1999). The Commission also acted to protect the development of then-nascent instant

Comcast is the nation's largest internet service provider, largest video provider and one of the largest home phone providers. Post-transaction Comcast would control nearly 30% of the national pay TV market, 50% of the U.S. cable market, and half of the U.S. triple-play market for video, voice and Internet service. As a result of the transactions, Comcast would be the largest pay TV provider in 104 markets encompassing 65% of the U.S. population.[7] Comcast's service area would cover almost 2/3 of the U.S., and Comcast would be the only broadband provider that can deliver Internet and pay-TV services to nearly 4 out of every 10 U.S. homes.[8] Comcast would control 36% of all home internet subscribers, 47% of high speed home internet subscribers, 55% of double-play subscribers, and 49% of all triple play subscribers.[9] On information and belief, Time Warner Cable also negotiates content acquisition on behalf of Brighthouse Networks, further extending the buying power of the combined company.

91% of Americans who subscribe to data services also buy video services, and therefore one measure of relevant market is the bundle.[10] Given that other competitors may not be able to offer the data capacity that Comcast can, Comcast enjoys an enhanced competitive position. Further, *"for the vast majority of businesses in 19 of the 20 largest metropolitan areas in the country, their only choice for a high-capacity wired connection will be Comcast."*[11] Comcast would gain control over 19 of the top 20 markets in the

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messaging technology in the merger between AOL and Time Warner. *See Applications for Consent to the Transfer of Control of Licenses and Section 214 Authorizations by Time Warner Inc. and America Online, Inc., Transferors, to AOL Time Warner Inc., Transferee*, CS Docket No. 00-30, FCC 01-12 at 128–200 (2001).

[7] See http://www.freepress.net/comcast-time-warner-cable-merger-have-you-seeing-red.

[8] See http://www.freepress.net/blog/2014/03/26/four-infographics-reveal-why-comcast-merger-bad-you.

[9] See http://www.freepress.net/comcast-time-warner-cable-too-much-control.

[10] See http://www.bloombergview.com/articles/2014-02-13/comcast-s-time-warner-deal-is-bad-for-america

[11] Id.

U.S.[12]

The transaction would result in creation of a company with unprecedented horizontal and vertical scale. The horizontal combination would result in a dramatic increase in the merged entity's bargaining power and control over the video programming industry. In additional to combining the largest cable and broadband provider with the second largest cable provider, the transacting parties have formidable programming assets. Comcast owns NBC, 10 NBC owned-and-operated stations (O&Os), 13 regional sports networks (RSNs), and many popular national cable networks including USA Network, CNBC, Golf Channel, Syfy, Bravo, E!, and MSNBC.[13] Comcast also owns Universal Studios,[14] and its affiliated company NBCU owns Telemundo.[15] TWC owns or controls 16 RSNs, including in New York and Los Angeles.[16]

The combined company would have the ability to leverage its dominance in the MVPD market, in order to reduce competition and increase market share in the video programming industry. This could lead to higher consumer prices, and diminish localism, diversity, and consumer choice. The geographic clustering and efficiencies created by the transactions (including system swaps with Charter) could enhance the merged entity's control over key markets, further strengthening its dominance including in regional sports.[17]

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[12] *New York Times*, April 6, 2014, *Questions for Comcast as it Looks to Grow*. See http://www.nytimes.com/2014/04/07/business/media/questions-for-comcast-as-it-looks-to-grow.html?_r=0.
[13] See http://americancable.org/files/140506%20ACA's%20Written%20Statement%20on%20Comcast-TWC%20(FINAL).pdf at p. 2.
[14] http://corporate.comcast.com/our-company/businesses/nbcuniversal
[15] As well as Telemundo. See http://www.nbcuni.com/broadcast/telemundo/
[16] See http://americancable.org/files/140506%20ACA's%20Written%20Statement%20on%20Comcast-TWC%20(FINAL).pdf at p. 2.
[17] The FCC previously recognized in the Comcast/Time Warner/Adelphia transaction, that geographic clustering provides the potential to exercise control of regional sports in local markets. See https://apps.fcc.gov/edocs_public/attachmatch/DOC-266394A1.pdf, and

The *New York Times* noted, *"[P]ostmerger, [Comcast] will own 40 percent of the high-speed broadband in the country. So when Comcast suggests it has competitors in DirecTV and Dish, satellite companies that cannot provide high-speed connections, it isn't true, practically speaking. The same goes for wireless phone companies, which cannot offer fast, wired connections, which is what matters most to American consumers and businesses."*[18]

The *New York Times* further noted, *"it is Comcast that decides whether a pay-television service or an add-on device that lives on the Internet — everything from Apple TV to HBO Go to Hulu to Roku — is going to have access to 40 percent of American homes. Comcast has an X1 product that it wants to be the web-enabled interface on your television, and it will have godlike powers to decide whether competing services will be able to authenticate on Comcast's broadband or operate their devices. Comcast argues that larger scale will allow it to invest and deliver a better experience for consumers, but as a bigger company, it may have an effective veto over the programming and technological innovations of others."*[19]

Simply stated, post-transaction the combined company could have sufficient size and scale to exercise significant leverage over competitors in the programming industry, including local broadcast television, and potentially to drive them out of business or to reduce their ability to compete for quality programming.

Sinclair Broadcast Group, Inc. ("SBG" or "Sinclair") considers its relations with

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https://apps.fcc.gov/edocs_public/attachmatch/FCC-06-105A1.pdf at para. 122. As the FCC noted, *"It is the combination of RSN ownership and MVPD market share that makes anticompetitive strategies possible."* Id. at pp. 60-61.

[18] http://www.nytimes.com/2014/04/07/business/media/questions-for-comcast-as-it-looks-to-grow.html?_r=0

[19] http://www.nytimes.com/2014/04/07/business/media/questions-for-comcast-as-it-looks-to-grow.html?_r=0

both Comcast and Time Warner Cable in large measure to be non-adversarial. But this snapshot in time should not blind us to industry dynamics both current and prospective, and the market power that Comcast/Time Warner Cable could wield post-transaction. Given the horizontal and vertical size and scale of the combined company, the merger presents competitive as well as potentially existential concerns for companies which compete with, supply content to, or receive content from, Comcast; as well as gatekeeping ability to stifle innovation and delivery of new products and services that might compete with Comcast's vast offering of products and services.

Former FCC Commissioner Michael Copps stated, *"I think we need to look at it in the context of the one big media ecosystem we have in this country, which is broadband, broadcast, old media, and new media, and you have one player, one power that you're according massive influence and gatekeeping control, and that's just plain bad for consumers and just plain bad for democracy."*[20]

Absent either denial of the transaction or imposition of conditions, the communications ecosystem could forever and dramatically change to the detriment of consumers and competition alike.

II. ARGUMENT

Sinclair owns and operates, programs or provides sales services to 162 television stations in 78 markets, after pending transactions. Upon consummation of all of Sinclair's announced transactions, its television group will reach approximately 38.2% of US television households and includes FOX, ABC, MyTV, CW, CBS, NBC, Univision, Telemundo and Azteca affiliates. Sinclair produces 1700 hours of local news content per

[20] http://www.nytimes.com/2014/04/07/business/media/questions-for-comcast-as-it-looks-to-grow.html?_r=0

week, the largest producer of local news in the nation.

We alert, educate, protect and empower our audience. We provide our communities with a voice through our "your voice your future" town halls. We disseminate information of importance, with accuracy and immediacy, on air, online, and on mobile. We enhance localism, and diversity of ideas in the marketplace. During 2013, Sinclair won approximately 189 awards for excellence in journalism.

We are proud of our work in our communities. When the devastating tornado hit Moore, Oklahoma in May 2013, Sinclair responded immediately, sending equipment and staff from as far away as Columbus, Ohio, supporting days of extended coverage by our Oklahoma City Fox affiliate, KOKH Fox 25. We shared stories of loss, survival, and rebuilding. And we do more than deliver coverage. Through fundraising drives at all of our news operations, employee contributions and a company match, the Sinclair relief fund provided more than $600,000 in direct relief aid to Moore, Oklahoma. We view ourselves as an integral part of our communities.

Our recent technology and content innovation initiatives include our One Media, LLC joint venture, which is designing a new broadcast platform for the convergence of broadcasting with wireless broadband services, to deliver unprecedented amounts of video and data to mobile devices, at low cost and low power consumption.[21] This initiative holds the promise of delivering numerous diverse 24x7 programming streams, to any device, at substantially lower cost than currently available in the market -- holding the potential to substantially disrupt the video landscape and provide considerable value to consumers. Additionally our new initiative to deliver college sports and related content from campuses in communities across the nation can enhance localism and

[21] http://sbgi.net/site_mgr/temp/ONE%20Media%20Press%20release%20final%2Epdf

provide new opportunities for schools and their communities.[22]

Our ability to thrive and innovate is important for competition, diversity, and localism.

A. Sinclair is Highly Dependent on the Transacting Parties.

SBG's business is highly dependent on the transacting parties. Comcast is at once a competitor to SBG, a supplier of content to SBG, and a distributor of SBG's programming. SBG has 19 network affiliations with Comcast's NBC network.[23] Comcast through its NBCU affiliate is also a significant supplier of syndicated programming to SBG. Sinclair is heavily reliant on network programming and syndicated programming generally, which together comprise most of Sinclair's revenue, and most of the programming time every day.

On a combined basis, Comcast and Time Warner Cable would control a substantial percentage of households receiving broadcast station programming from SBG. Accordingly post-transaction Comcast would have unprecedented bargaining power against content suppliers such as Sinclair, and significant leverage to impact Sinclair's business in any one of a number of ways.

Sinclair is in the unusual (and tenuous) position of being, simultaneously, a licensee of Comcast programming (NBC network as well as syndicated programming), as well as a supplier of that programming to Comcast's cable systems. If Comcast's NBCU unit increases its price on reverse retransmission fees (i.e., fees payable by the local broadcaster to Comcast/NBCU), then the local broadcaster would be forced to seek increased retransmission consent fees from Comcast's cable system. A local

[22] http://sbgi.net/site_mgr/temp/ASN%2Epdf
[23] Includes three stations which carry NBC programming on secondary digital channels.

broadcaster's failure to secure reasonable terms on either end of that supply chain could doom that broadcaster in that local market,[24] indeed such a scenario could play out in markets across the nation, with adverse impact on a broadcast group. The sheer size of a combined Comcast/TWC could therefore present significant challenges to a company such as Sinclair.

In recent years, reverse retransmission fees paid by Sinclair to networks have increased substantially, and further increases are expected. For example, on an industry-wide basis, for the "big 4" networks, in the past two years alone (2012-2014), reverse retransmission consent fees are projected to have increased 144%, and over the next 5 years (2014-2019) they are projected to increase by 149%.[25] The impact of these increases on a broadcaster is that it must must either increase retransmission consent fees, or, if it fails to do so, then decrease budgets for news and original programming or otherwise reduce investment or costs. Reverse retransmission fees could continue to rise, to a level that would make it impractical for broadcasters to invest in and produce new programming, which could affect their future business prospects.

B. Sinclair Competes With the Transacting Parties in Content.

Comcast is a competitor in content. SBG's local broadcast business competes with numerous Comcast-affiliated networks, for viewership and ratings. As stated earlier, Comcast owns NBC, Telemundo, 10 NBC owned-and-operated stations (O&Os), 13 regional sports networks (RSNs), and many popular national cable networks including USA Network, CNBC, Golf Channel, Syfy, Bravo, E!, and MSNBC. TWC owns or

[24] We note further that, most of the programming on local broadcast television is not produced by the local broadcaster; rather, the networks (such as Comcast's NBCU) control much of the programming (whether network programming, or syndicated programming).

[25] Source: SNL Kagan.

controls 16 RSNs. Consumers increasingly access content on a technology-neutral basis. The merged entity would have the incentive and the ability to disadvantage content suppliers who compete with Comcast's affiliated programming networks. Should Comcast treat local broadcast television stations in a discriminatory manner compared with how Comcast distributes its affiliated content, this could adversely affect a broadcaster's business, and result in loss of local programming valued by consumers. Comcast would have the ability to discriminate given its unprecedented MVPD scale. Post-transaction, Comcast would be so big, that any broadcaster's business could be existentially impaired as a result of Comcast's sheer market power.

Comcast and Sinclair compete in several content genres, including news and sports. The success of any new cable network initiative, whether by Sinclair or any third party, would substantially depend on securing carriage from the combined company, without which it would be difficult if not impossible to succeed. Comcast is a significant player in news, sports, and other content genres, and owns numerous national and regional networks. Should Comcast decline to carry a competitor network on the basis of competitive issues, this could inure to the detriment of consumers.

C. Sinclair Competes With the Transacting Parties in Advertising Sales.

Comcast is a competitor to Sinclair and other local broadcast companies, in the advertising sales market. On information and belief, Comcast engages in the equivalent of joint selling arrangements of ad time with its wireless and DBS competitors, for all of their combined platforms, in local markets throughout the country (on an unregulated basis -- something that local broadcasters are now not allowed to do). The disparate scale and regulatory restrictions create competitive imbalances that would be exacerbated by the transaction.

By way of example, in any single market, Comcast may sell the ad inventory on its broadcast networks, its O&Os, its affiliated cable networks and RSNs, its ad time secured on third party networks in consideration for carriage, as well as the ad inventory of its telco and DBS competitors in that market. The ability to combine this practice with all of Time Warner Cable's markets would represent a substantial increase in the disparate positions of the competitors (cable and local broadcast).

This state of affairs is further exacerbated by local broadcast's diminishing share of the ad market; and cable's increasing share of that market. Local broadcast television now comprises only 6.7% of the total annual U.S. media ad spend, and is declining both as a percentage of the total spend and in projected CAGR. The following chart illustrates these dynamics.[26]

[26]Sources:
http://www.tvb.org/trends/4705
http://www.cnet.com/news/internet-ad-sales-surpass-broadcast-tv-for-first-time-ever/
http://www.biakelsey.com/Company/Press-Releases/131119-Overall-U.S.-Local-Media-Ad-Revenues-to-Reach-$151.5B-in-2017.asp.
https://www.nab.org/documents/filings/JSA-SSAExParte031814.pdf, at p. 6.

D. Cable's Share of Total Programming Fees Exceeds 90% -- The Transaction Will Enable the Parties to Extend Their Dominance in the Programming Market.

Programming fees enable content companies to invest in and produce news and other programming valued by consumers; and compete in an increasingly platform-agnostic ecosystem in which broadcast and cable compete with one another, including for viewership, advertising dollars, and content rights. Local broadcast television generates 1/10 of the programming fees that cable networks generate (many of which are owned by the transacting parties). As illustrated in the following slide,[27] cable networks (including

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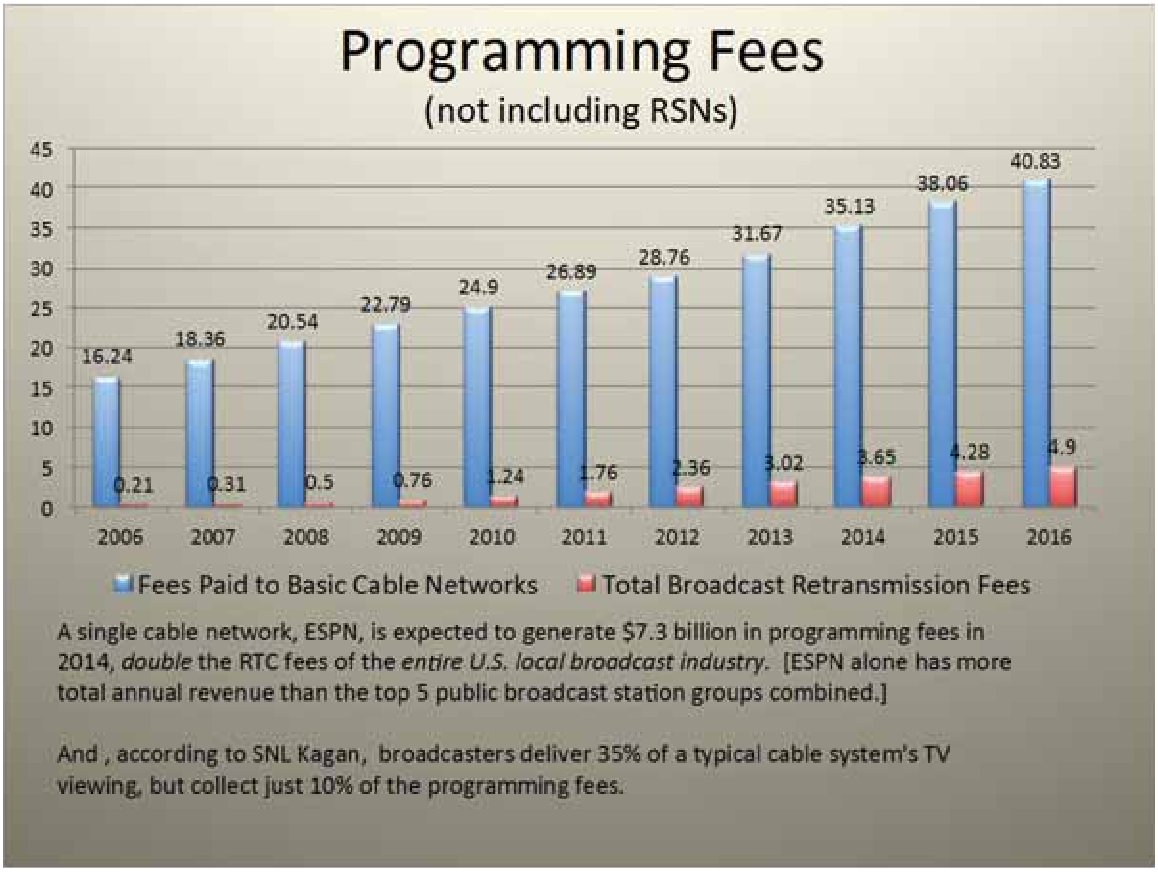
[27] Sources:
SNL Kagan from NAB. See
http://www.nab.org/documents/newsRoom/pdfs/072213_Kagan_broadcast_cable_fees.pdf.
http://www.businessinsider.com/chart-60-of-espns-11-billion-in-revenue-comes-from-cable-subscribers-2013-7.

those owned by the transacting parties) receive 90% of total programming fees:



One relevant measure of service of the public interest is whether the transaction could potentially preclude consumers from accessing new content offerings, from multiple sources -- on a forward looking basis. The transaction is not likely to diversify content sources, lower consumer pricing, or enhance competition in the content sector. In fact, the size and scale of the combined company could enable it to consolidate control over the programming industry, and raise prices for its affiliated programming networks.

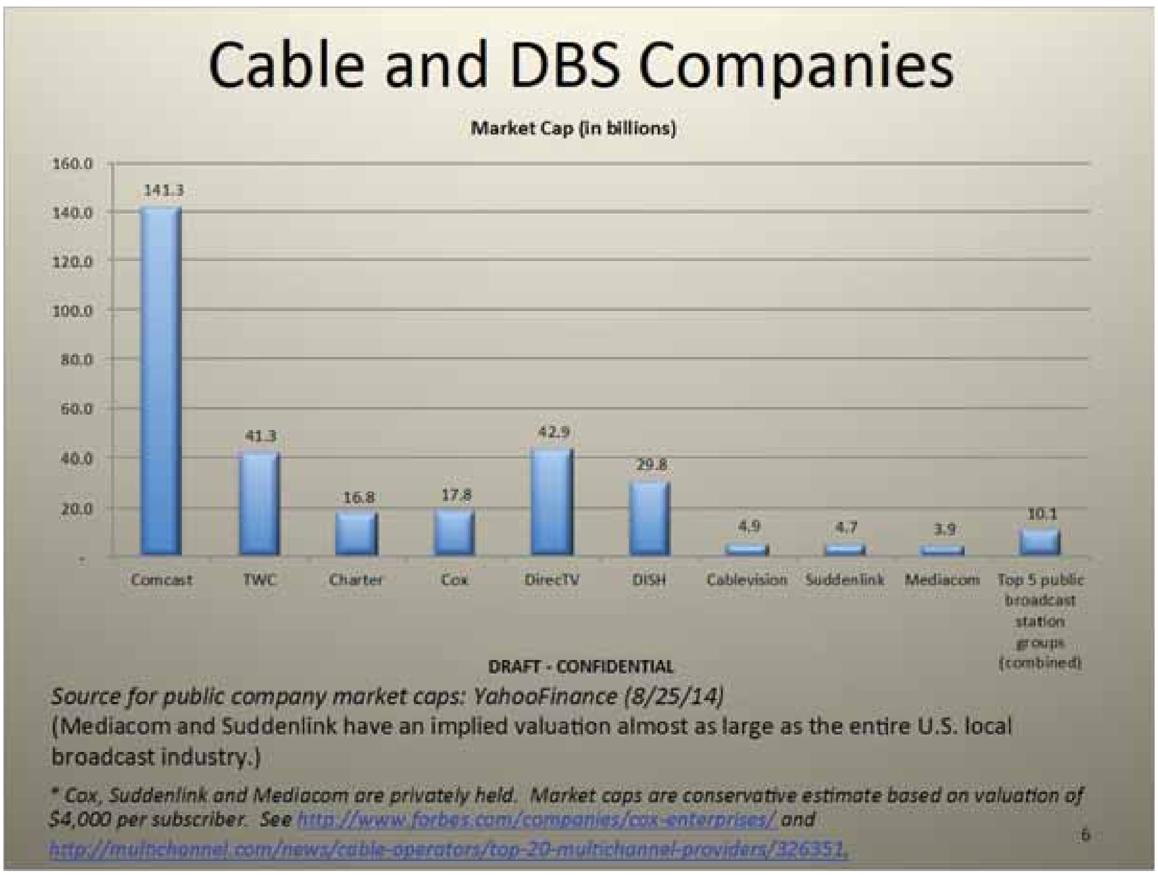
In recent years, retransmission consent fees have increased, from zero, to about $3 billion for the entire local broadcast industry. Much of that $3 billion goes back to the networks in the form of reverse retransmission fees. Perhaps less widely known, in the past 5 years, cable programming fees have increased on an absolute basis by about 3x the increases in retransmission consent fees. The transaction could provide the parties with the ability to shift fees from broadcast to cable (both in the form of reverse retransmission fees, and cable programming fees), further impairing the ability of local broadcast to compete with cable programming.

E. Competitive Imbalances from Disparate Regulatory Regimes Will Be Exacerbated by the Transaction, and Must Be Addressed Concurrently With the Transaction.

Comcast is not subject to caps on ownership or market reach. There is no cap on percentage of U.S. households reached by cable. Equally important however, each of Comcast's national broadcast networks and cable networks have no limitation on market reach. Comcast's networks (both broadcast and cable) can (and often do) have ubiquitous distribution throughout the United States. By contrast local broadcast is subject to national caps of 39%, as well as local ownership caps. This presents disparate competitive capabilities not just in the sale of advertising, but also in content acquisition. Comcast has numerous broadcast and cable networks that can offer a rights owner, ubiquitous national distribution, while a local broadcaster is limited in that regard, leading to concentration of content rights (for example sports) and corollary price increases due to diminished competition. These disparate regulatory regimes, combined with the proposed transaction, would create a leviathan with which it would be difficult for any new market entrant to compete for content rights.

F. The Combined Company Would Dwarf the Broadcast Industry, Providing it with Substantial Additional Leverage.

In virtually every manner, the combined company would dwarf any local broadcast station group. The largest cable operator Comcast delivers voice, video and Internet, owns national broadcast networks (NBC and Telemundo), O&Os, dozens of national, regional and local cable networks, and engages in the functional equivalent of JSAs. It also has a market cap of roughly 47 times the largest broadcast station group.[28] That multiple would increase to 60x post-transaction. The following chart illustrates on a market cap basis how the transacting parties would dwarf competitors and content suppliers alike post-transaction, which would provide the combined company with substantial leverage in every segment of the communications ecosystem including in programming.



[28] As of August 25, 2003, SBG's market cap was $2.83 billion.

III. PROPOSED CONDITIONS

If the merger is to be approved, the potential harms and public interests discussed above must be addressed, in the manner set forth below.

The transaction would result in one company that controls 50% of the cable subscribers and 50% of the triple play subscribers in the nation. In addition to owning triple play to the home (video, data and voice), Comcast would own national broadcast networks, numerous cable networks that reach virtually every U.S. home, a dominant position in the RSN market, broadcast stations in some of the U.S.'s largest markets, and production studios that produce some of the highest value content available (which is syndicated to local broadcasters).

A. Retransmission Consent Agreements

The Commission should establish conditions that would require Comcast to provide its broadcast networks to local broadcast stations, at terms no less advantageous than the terms Comcast provides to its own O&Os.

The Commission should establish conditions that would require Comcast (and TWC) systems to provide retransmission consent agreements with terms no less advantageous (to independent stations), than they provide to their own O&Os.

A critical issue with the proposed transaction is that the combined entity will simply be too large for broadcast stations to negotiate in a fair and effective manner for carriage. The size of the entity both in terms of market capitalization and subscriber penetrations will give Comcast the upper hand in all negotiations with the ability to impose "take it or leave it" terms under the threat of simply removing from their systems any broadcast stations which do not capitulate to their demands. In order to combat this, conditions should be established that require that Comcast, in meeting its good faith bargaining obligation, to take into account not only fees paid to broadcasters, but also fees paid to (and received for) cable channels -- particularly given convergence of technologies, consumer behavior which is to access content in a technology-neutral manner, and the fact that cable networks and broadcast stations compete with one another. In the absence of such a condition, the combined entity will be permitted by its unacceptably large bargaining advantage to continue to take the illogical position that fees paid for cable channels are not relevant to the fees paid for broadcast stations.

Moreover, Comcast should be required to agree to binding arbitration if requested by a broadcaster with which Comcast is negotiating a retransmission consent agreement, and the arbitrator should be instructed to take into account fee paid for cable channels as well as for other broadcast stations in determining appropriate consideration.
Although the Commission has no authority to impose arbitration on a broadcaster who has not consented to carriage, given the unfair bargaining position that combining with TWC will provide, such a condition should be imposed on Comcast if the broadcaster voluntarily agrees to submit to binding arbitration. Such a condition will hopefully reduce the number of black outs of local stations that Comcast could create by refusing to carry local stations other than on terms that Comcast dictates.

The Commission should establish a condition that would cap reverse retransmission fees at 50% of the retransmission consent fees received by a broadcaster for the relevant market. This could help preserve a broadcaster's ability to invest in programming, among other things.

B. Comcast Should Be Required To Take Into Account an Interest In Bright House Networks In Meeting Its Promise To Serve No More Than 30 Percent Of All MVPD Subscribers.

Comcast has promised that following the transaction its share of managed subscribers would be below 30 percent of the total number of the nation's MVPD subscribers.[29] Comcast noted that this reduction was being undertaken to "reduce competitive concerns."[30] In at least one significant portion of its business, the acquisition of programming content, including through both cable networks and broadcast stations, TWC routinely negotiates on behalf of Bright House Networks. Comcast has not indicated an intent to terminate this relationship with Bright House. As a result Comcast's proposed subscriber dispositions will actually leave the combined entity with more control over more than 2 million subscribers above its promised 30 percent cap. Accordingly a condition should be imposed requiring Comcast to account for the Bright House subscribers and any other subscribers served by a cable company with respect to which Comcast would have a cognizable interest under 47 C.F.R ¶ 76.501 of the FCC Rules.

C. The Transacting Parties Should Not Object to a New, Next Generation Broadcast Technology Standard.

Development of a new broadcast standard could foster new competition and new choices for consumers. Broadcasters could be in position to deliver a suite of programming services, by more efficiently utilizing existing bandwidth, featuring content from diverse sources, at substantially lower prices than the cable bundle – thereby becoming a new and innovative content platform available to consumers. As part of any

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[29] See statement of David L. Cohen, Executive Vice President and Chief Diversity Officer of Comcast. http://corporate.comcast.com/comcast-voices/comcast-and-time-warner-announce-merger-detail-public-interest-benefits-and-undertakings (last visited August 25, 2014)
[30] See *id.*

consent decree, the transacting parties should be required to agree to not object to a new broadcast standard, and to not deploy technology the effect of which would be to interfere with broadcast delivery of new products and services.

D. Disparate Regulatory Regimes Must Be Examined Concurrently With the Transaction.

Legacy regulations competitively disadvantage local broadcasters, who compete with vertically integrated companies such as Comcast, with national reach. Local broadcast television now comprises only 6.7% of the total annual U.S. media ad spend, and is declining both as a percentage of the total spend and in projected CAGR. The transaction would provide the transacting parties with significant market share in every segment of the communications services industry, and combine them with dozens of cable and broadcast network platforms that have near ubiquitous distribution throughout the United States. The absence of a cable ownership cap must be assessed against legacy national and local ownership caps applicable to broadcast television, and the associated competitive imbalances that such disparate technology-based regulatory regimes create, for example in content acquisition, and in delivery of content to consumers via any device. Ownership limits should be applied on a technology-neutral basis and should be considered in the context of this transaction.

E. Joint Selling Arrangements Must Be Regulated on a Technology-Neutral Basis.

Comcast and other cable companies engage in the functional equivalent of joint selling arrangements of ad time with their wireless and DBS competitors, for all of their combined platforms, in local markets throughout the country, on an unregulated basis -- something that local broadcasters are now not allowed to do. The transaction would exacerbate this state of affairs. Accordingly if the Commission does not modify its new policies with respect to JSAs, it must treat the transacting parties in a similar manner regarding joint selling of ad time.[31]

F. Broadcast to Mobile Could Benefit Consumers; The Transacting Parties Should Be Precluded From Discouraging or Preventing Content Owners From Developing That Market

The transaction would result in a company with considerable market power. Significant public interest benefits could accrue from delivery of local broadcast TV to mobile devices. For example broadcast-to-mobile enabled devices could bypass the wireless data charge, since the signal is received directly from the broadcast tower. This could result in lower cost to consumers, access to more content, and greater competition in the mobile video market. Given their content holdings, size and scale, the transacting parties should be precluded from engaging in practices the effects of which would be to discourage or prevent content owners from delivering content to any device.

G. New, Competitive and Diverse Programming Initiatives Could Enhance Diversity and Competition

Post-transaction, a set of conditions must be in place to ensure that new, independent cable and broadband platforms are able to secure carriage, channels slots, and terms and conditions that are non-discriminatory.

Comcast's enhanced size, its ability to leverage that size through its formidable vertically integrated structure, and its ability to employ joint selling arrangement on an unrestricted basis, create competitive imbalances in terms of the ability of unaffiliated

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[31] On a related subject, on information and belief, Comcast may have the technology to deliver distinct ads to different television sets within the same household. Comcast's ability to localize and micro-target provides advertisers with new opportunities to reach consumers. As part of the transaction, conditions must be imposed that would provide independent content providers with the same targeting opportunities, via Comcast's cable box, in a non-discriminatory manner.

content sources to: (a) access the cable and broadband pipes on non-discriminatory terms; (b) innovate and deliver new products and services to the market; (c) compete for local ad dollars; and (d) compete for access to "must-have" content in local markets. These imbalances must be addressed.

IV. CONCLUSION

If broadcasters such as Sinclair are to retain competitive vitality against massive, largely unregulated competitors, it is imperative that the Commission take steps to provide competitive parity among all providers of video programming. If the Commission grants the Application, therefore, it must impose conditions along the lines suggested herein to preserve competition, innovation, localism and diversity. Alternatively, the Commission must dramatically relax the bonds that constrain the ability of broadcasters to compete with entities that combine program origination, distribution, and consumer access.

WHEREFORE, the Commission should grant this Petition to Deny.

Respectfully Submitted,

SINCLAIR BROADCAST GROUP, INC.

By: /s/ Clifford M. Harrington
Clifford M. Harrington
Pillsbury Winthrop Shaw Pittman LLP
2300 N Street, NW
Washington, DC 20037

August 25, 2014

DECLARATION

I hereby declare under penalty of perjury that:

1. My name is Rebecca Hanson. I am employed as Senior Vice President, Strategy and Policy at Sinclair Broadcast Group, Inc. My primary office is in Washington, DC.

2. I have read the foregoing "Petition to Deny of Sinclair Broadcast Group Inc."

3. Sinclair Broadcast Group, Inc. will be adversely affected if the Commission approves the merger between Comcast Corporation and Time Warner Cable Inc.

4. The allegations of fact contained in the petition, except those as to which official notice may be taken, are true and correct to the best of my personal knowledge and belief, and as to those matters of which official notice may be take, I believe them to be true.

________/s/______________________
Rebecca Hanson
Senior Vice President
Strategy and Policy
Sinclair Broadcast Group, Inc.

August 25, 2014

CERTIFICATE OF SERVICE

I, Clifford M. Harrington, a partner in the law firm of Pillsbury Winthrop Shaw Pittman LLP, hereby certify that on this 25th day of August, 2014, a copy of the foregoing **Opposition to Petition for Rulemaking** was sent by first-class U.S. mail, postage prepaid, to the following:

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Vanessa Lemme*
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